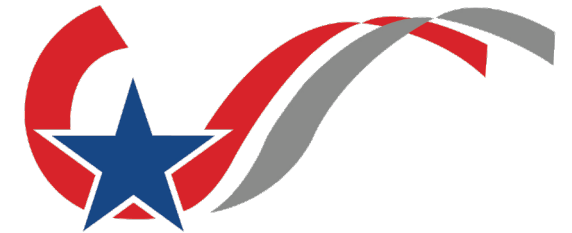


Impact Fee Collection Rate



CITY OF COLLEGE STATION
Home of Texas A&M University®



Kimley»Horn

Nov. 22, 2021

Kimley»Horn

Outline

Study Summaries and Fee Comparisons

Benchmarks

Implementation

IFAC Comments

Impact Fee Studies Summary

Impact Fee Type	Total Capital Costs	Capital Cost Attributable to Growth ⁽¹⁾	2021 Max Impact Fee ⁽²⁾
Water	\$67,722,554	\$43,760,813	\$3,817
Wastewater	\$189,748,166	\$65,290,309	\$5,572
Roadway Service Area A	\$13,915,012	\$9,388,254	\$499
Roadway Service Area B	\$48,390,353	\$20,859,844	\$1,261
Roadway Service Area C	\$78,250,564	\$26,639,782	\$2,127
Roadway Service Area D	\$74,492,580	\$59,527,697	\$3,452

(1) Amounts are pre-financing and rate/ad valorem credits.

(2) Per Service Unit

Water Impact Fees Rate Comparison

Meter Size	Living Unit Equivalent ⁽¹⁾	2016 Study		2021 Study	
		Max Impact Fee	Existing Collection Rate	Max Impact Fee	Potential Collection Rate
5/8" x 3/4"	1.0	\$2,917	\$500	\$3,877	TBD
1"	3.3/1.7	\$9,626	\$850	\$12,923	TBD
1-1/2"	10.7	\$31,211	\$5,350	\$41,354	TBD
2"	10.7	\$31,211	\$5,350	\$41,354	TBD
3"	26.7	\$77,883	\$13,350	\$103,386	TBD
4"	53.3	\$155,476	\$26,650	\$206,773	TBD
6"	106.7	\$311,243	\$53,350	\$413,546	TBD
8"	180.0	\$525,060	\$90,000	\$697,860	TBD
10"	266.7	\$777,963	\$133,350	\$1,033,866	TBD

(1) Living unit equivalents shown as rounded to single decimal point.

Wastewater Impact Fees Rate Comparison

Meter Size	Living Unit Equivalent ⁽¹⁾	2016 Study		2021 Study	
		Max Impact Fee	Existing Collection Rate	Max Impact Fee	Potential Collection Rate
5/8" x 3/4"	1.0	\$5,519	\$3,000	\$5,572	TBD
1"	3.3	\$18,212	\$5,100	\$18,573	TBD
1-1/2"	10.7	\$59,053	\$16,050	\$59,434	TBD
2"	10.7	\$59,053	\$16,050	\$59,434	TBD
3"	26.7	\$147,357	\$40,050	\$148,586	TBD
4"	53.3	\$294,162	\$79,950	\$297,173	TBD
6"	106.7	\$588,877	\$160,050	\$594,346	TBD
8"	180.0	\$993,420	\$270,000	\$1,002,960	TBD
10"	266.7	\$1,471,917	\$400,050	\$1,485,866	TBD

(1) Living unit equivalents shown as rounded to single decimal point.

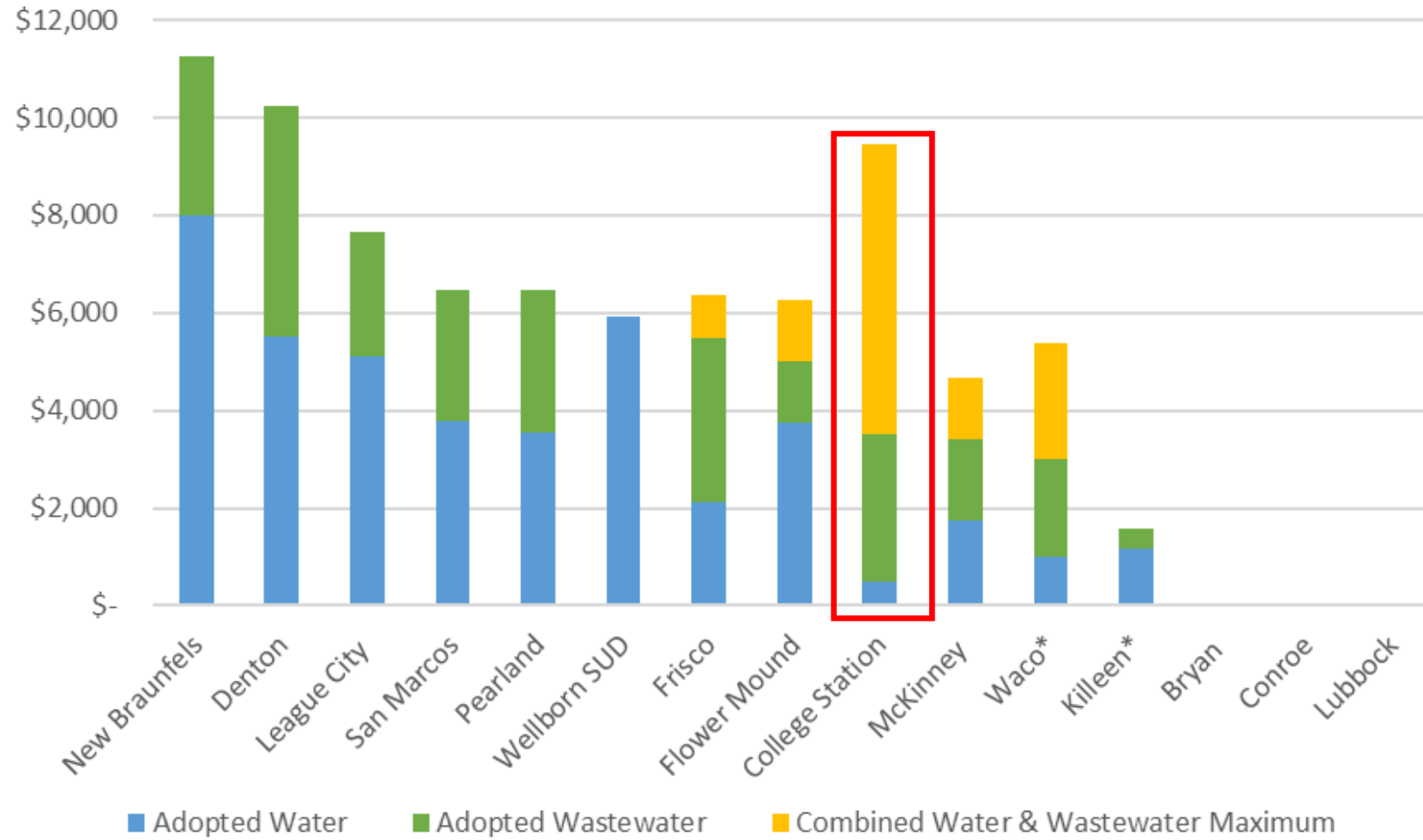
Roadway Impact Fees Rate Comparison

Service Area	2016 Study				2021 Study		
	Max Impact Fee	Existing Collection Rate ⁽¹⁾		Single-Family Home if at Max Fee (Collection Rate is \$1,500 per home)	Max Impact Fee	Potential Collection Rate ⁽¹⁾	Single-Family Home if at Max Fee
		Residential	Non-Residential				
A	\$1,061	\$375	\$80	\$4,244	\$499	TBD	\$1,876
B	\$1,072	\$375	\$80	\$4,288	\$1,261	TBD	\$4,741
C	\$2,556	\$375	\$80	\$10,224	\$2,127	TBD	\$7,997
D	\$4,004	\$375	\$80	\$16,016	\$3,452	TBD	\$12,979

(1) Per Service Unit

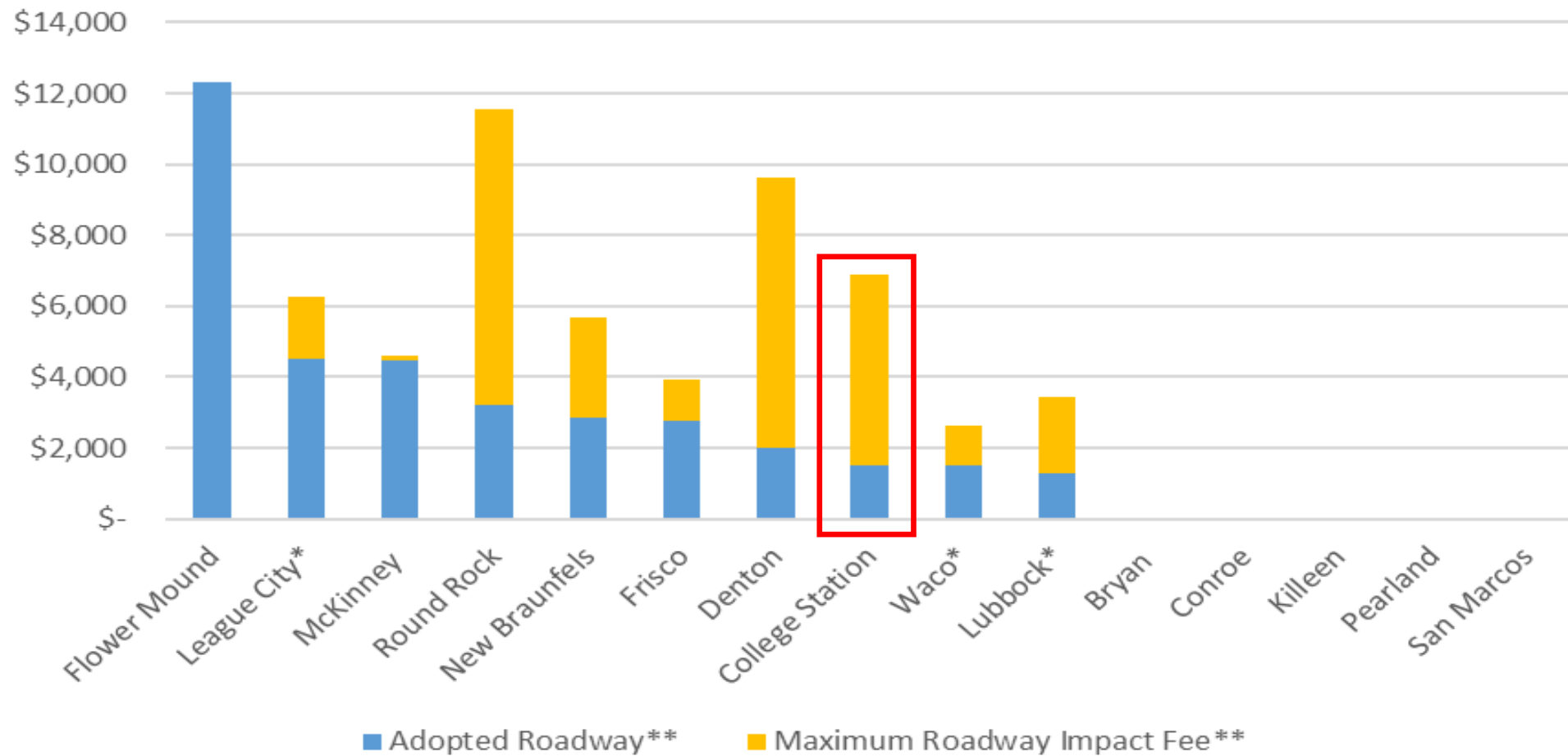
Benchmarks

Water & Wastewater Impact Fees per Single Family Home



* City utilized 50% credit method.

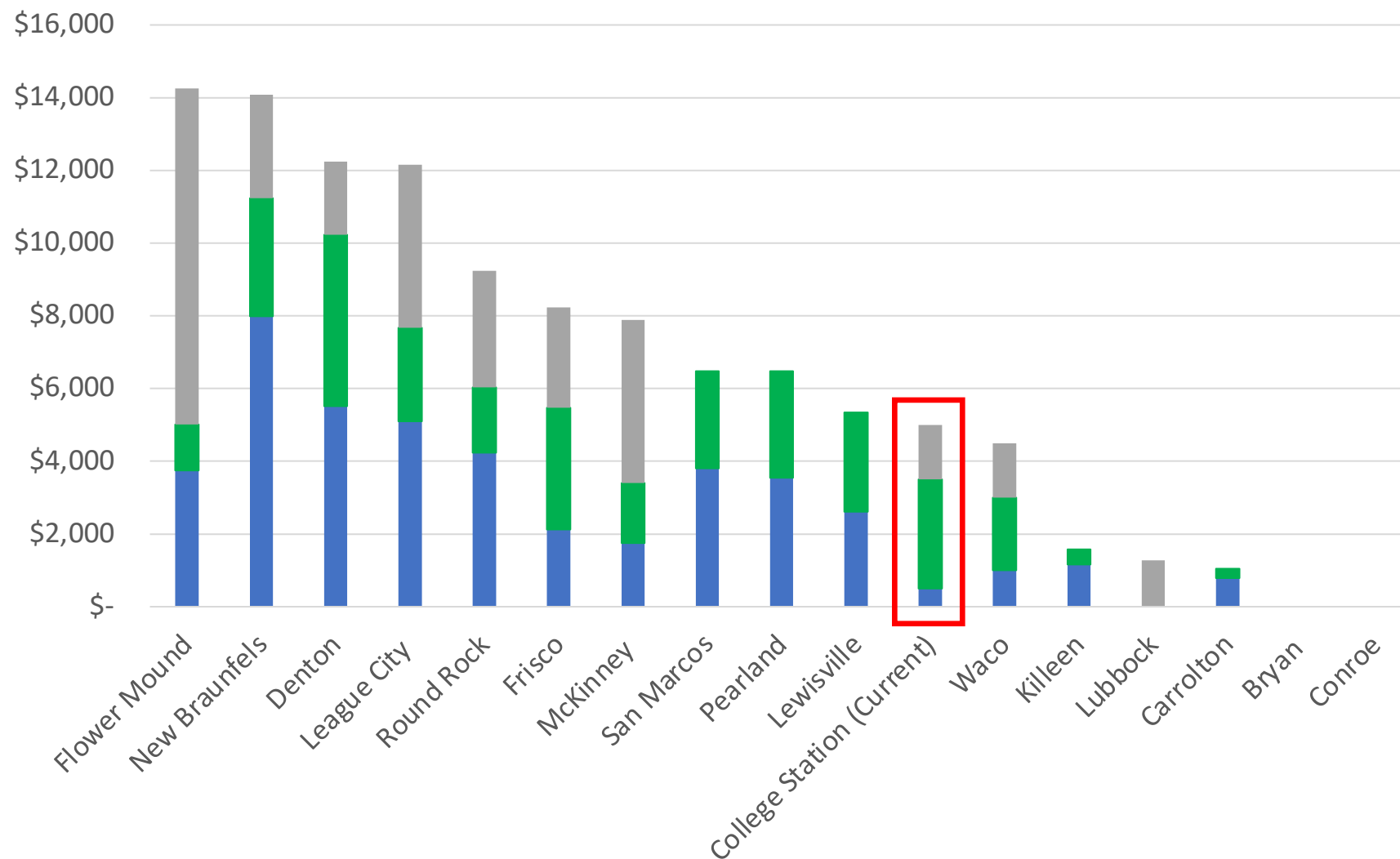
Roadway Impact Fees per Single Family Home



* City utilized 50% credit method.

** Amounts represent average of Service Areas.

Combined Comparison of Impact Fees per Single Family Home*



* Average of Service Areas

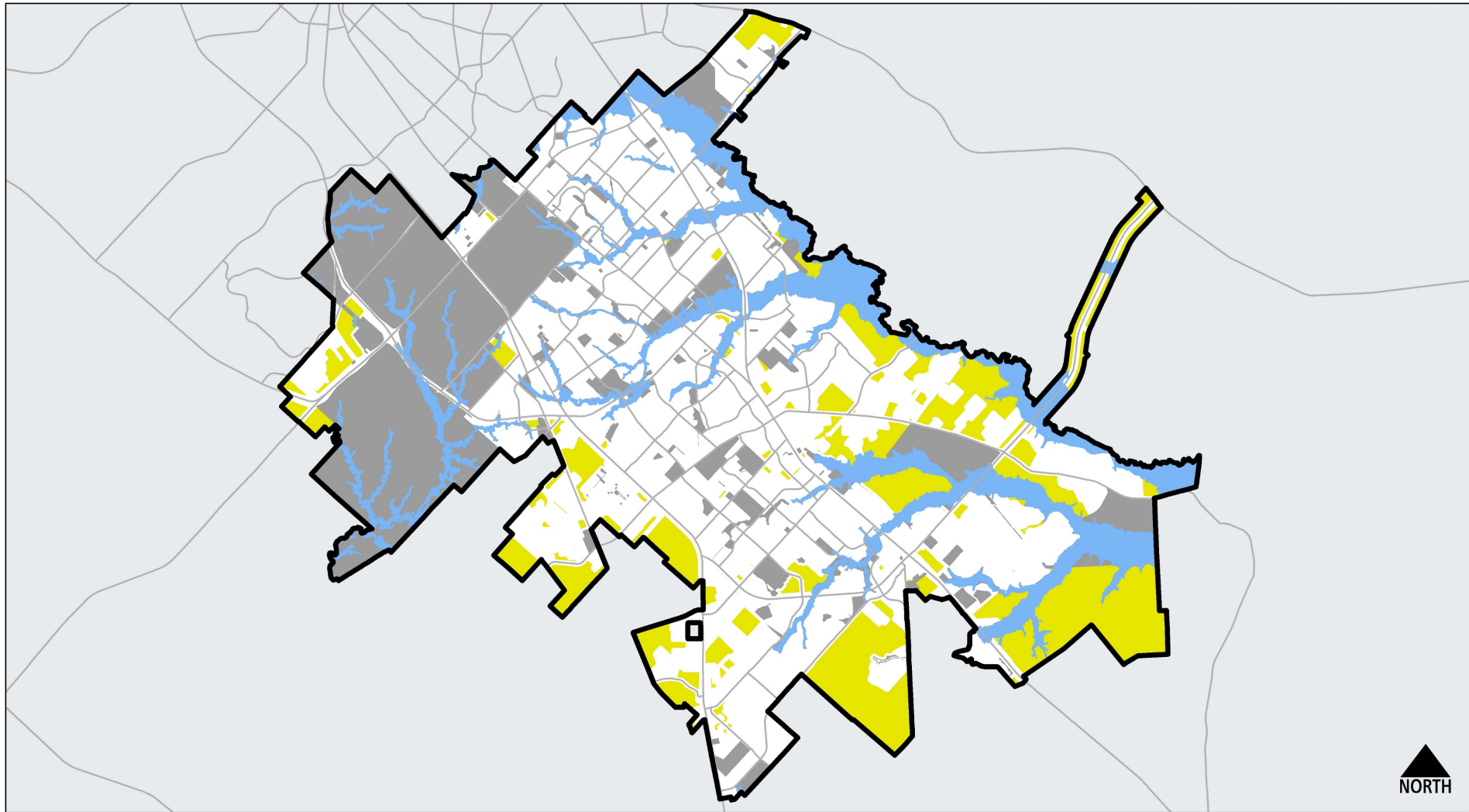
Water Wastewater Roadway

Implementation

Collection Rate Alternatives

- Keep collection rate as currently adopted.
- Collection Rate Adjustment Considerations
 - Flat rate for all Roadway Service Areas vs. Percentage of the max fee
 - Same or different Roadway collection rates for residential and non-residential
 - Phasing/Timing – Delay implementation or phase-in new rate over time
 - Grandfathering – Retain existing collection rate on specified projects

Unplatted Properties



Legend: Orange/Yellow = not platted; Gray = exempt; Blue = floodplain

Projected Impact Fee Revenues with No Grandfathering (millions)*

Impact Fee Type	Existing Collection Rate	Double Existing Collection Rate	25% of 2021 Max	50% of 2021 Max	100% of 2021 Max
Water	\$4.1M	\$8.2M	\$12.6M	\$24.9M	\$49.4M
Wastewater	\$22.2M	\$44.4M	\$18.0M	\$34.6M	\$66.9M

Roadway Service Area A	\$2.0M	\$3.0M	\$1.5M	\$2.9M	\$5.7M
Roadway Service Area B	\$1.9M	\$3.4M	\$3.2M	\$6.3M	\$12.3M
Roadway Service Area C	\$2.1M	\$4.0M	\$4.2M	\$8.0M	\$15.8M
Roadway Service Area D	\$1.7M	\$3.2M	\$8.9M	\$17.5M	\$34.8M
Roadway Total	\$7.7M	\$13.6M	\$17.8M	\$34.7M	\$68.6M

*One-year phase-in

Projected Impact Fee Revenues with Grandfathering (millions)*

Impact Fee Type	Existing Collection Rate	Double Existing Collection Rate	25% of 2021 Max	50% of 2021 Max	100% of 2021 Max
Water	\$4.1M	\$5.2M	\$4.7M	\$8.9M	\$17.4M
Wastewater	\$22.2M	\$34.4M	\$17.8M	\$29.7M	\$38.0M

Roadway Service Area A	\$2.0M	\$2.2M	\$1.3M	\$1.9M	\$2.9M
Roadway Service Area B	\$1.9M	\$2.9M	\$2.8M	\$3.6M	\$5.1M
Roadway Service Area C	\$2.1M	\$2.6M	\$2.6M	\$3.6M	\$5.5M
Roadway Service Area D	\$1.7M	\$2.1M	\$3.5M	\$5.7M	\$10.0M
Roadway Total	\$7.7M	\$9.8M	\$10.2M	\$14.8M	\$23.5M

*One-year phase-in. Platted properties grandfathered to existing rate (assume 75% platted, 25% not platted)

Collection Rate Tables / Phase-In / Grandfathering

Water Meter Size	Assessment Date		
	Plat Recorded Prior to 01/01/2022	Plat Recorded On or After 01/01/2022	
		Building Permit Application Date	
		Prior to 01/01/2023	On or After 01/01/ 2023
5/8" x 3/4"	\$500	\$500	\$500
1"	\$850	\$850	\$850
1-1/2"	\$5,350	\$5,350	\$5,350
2"	\$5,350	\$5,350	\$5,350
3"	\$13,350	\$13,350	\$13,350
4"	\$26,650	\$26,650	\$26,650
6"	\$53,350	\$53,350	\$53,350
8"	\$90,000	\$90,000	\$90,000
10"	\$133,350	\$133,350	\$133,350

Service Areas	Assessment Date					
	Plat Recorded Prior to 01/01/2022		Plat Recorded On or After 01/01/2022			
			Building Permit Date			
			Prior to 01/01/2023		On or After 01/01/2023	
	Land Use Type		Land Use Type		Land Use Type	
	Residential	Non-Residential	Residential	Non-Residential	Residential	Non-Residential
A	\$375	\$80	\$375	\$80	\$375	\$80
B	\$375	\$80	\$375	\$80	\$375	\$80
C	\$375	\$80	\$375	\$80	\$375	\$80
D	\$375	\$80	\$375	\$80	\$375	\$80

IFAC Comments

Summary of Individual IFAC Comments

Fees

- Modest increase is reasonable. Could adopt up to double current collection rate and recommend keeping flat rate across the City.
- Enacting a large increase would negatively impact growth and important local industries.
- Fees should significantly increase, and flat-rate approach is inequitable.
- Include incentives to support housing affordability.

Phase-In/Grandfathering

- Implement change in fees right away though grandfather projects that have started.
- Grandfather projects well underway and those already platted.